MINUTES OF THE MEETING OF THE UNIFORM COMMERCIAL CODE COMMITTEE OF THE BUSINESS LAW SECTION OF THE STATE BAR OF CALIFORNIA

May 9, 2006 (9:30 a.m. to 11:10 a.m.) Offices of Pillsbury Winthrop Shaw Pittman LLP ("PWSP")

The May 9, 2006 meeting of the Uniform Commercial Code Committee (the "Committee") was called to order at approximately 9:30 a.m. with Arnie Rosenberg presiding.

A. ADMINISTRATIVE MATTERS

- 1. **Roll Call**. Please refer to the attendance sheet at the end of the minutes.
- 2. <u>Minutes of Prior Meeting</u>. The minutes for the April 11, 2006 meeting were approved.
- 3. <u>Future Meeting Dates/Locations</u>. The next three meetings are scheduled as follows, each to begin at 9:30 a.m. via videoconference in the offices of PWSP, subject to confirmation of availability of videoconference equipment: Thursday, June 15, 2006; Tuesday, August 8, 2006; Tuesday, September 12, 2006. A meeting is also scheduled from 3 p.m. to 5 p.m. on Friday, October 6, 2006 during the State Bar Annual Meeting in Monterey. Note that the July meeting has been cancelled.
- 4. <u>New Members</u>. The Committee agreed to recommend to the Executive Committee for membership Patrick Costello, Jan Kosel, Robert Sherman, Edith Warkentine, Vasco Morais and Robert Trodella. Assuming their applications are approved, there will still be three vacancies to fill in the fall. Members are urged to seek more applicants. Arnie Rosenberg will prepare and forward to Pauline Stevens a spreadsheet showing the terms of the members.

B. SUBCOMMITTEE REPORTS

- 1. <u>CCP §697.530 re: Judgment Liens</u>. The Committee had a good discussion on the memo prepared by the subcommittee. Barry Graynor agreed to rewrite the memo to clarify the subcommittee's position and to discuss the pros and cons of policy issues.
- 2. <u>Articles 1 and 7.</u> Arnie Rosenberg reported that the State Senate Judiciary Committee's analysis of SB 1481 indicates that the bill's sponsors are eliminating the choice of law provisions from revised Article 1. We will need to see what action is taken by the Senate today. If the bill goes forward, it was agreed that we should submit our report on the Article after deleting our analysis of section 1301.
- 3. <u>Business Law Section Model Third Party Opinion</u>. Jim Cochran reported that there is nothing to do at the moment. The subcommittee will review the draft opinion which is expected in the fall.

- 4. <u>Hidden Liens</u>. Based on his discussions with Bob Anderson, Arnie Rosenberg reported that no further analysis of hidden liens have been received since the prior meeting. Members who have not submitted their reports are urged to do so as soon as possible.
- 5. <u>Jury Trial Waiver/Grafton Case</u>. John Oehmke reported that the bill to amend CCP §631 has been pulled largely due to the efforts of consumer trial attorneys. It was suggested that a subcommittee be created to draft an Affirmative Legislative Proposal to provide for pre-dispute jury trial waivers in commercial transactions in another code section that does not reference consumers.
- 6. <u>Uniform Assignment of Rents Act</u>. Wansun Song reported that the subcommittee met and decided to continue to discuss the Act with bankruptcy and real estate attorneys.
- 7. **Deposit Account Control Agreement**. Doug Krause reported that the ABA is considering inserts to the model deposit account control agreement but the draft inserts have not yet been circulated.
- 8. <u>Legislative Tracking</u>. Hugh Lawrence reported that the person who ran the legislative searches has graduated and that he is coordinating the searches with a new person. The searches have been completed up to March.
- 9. Website Development and E-Communications. Jean LeBlanc reported that the website has been updated to include the latest minutes. Peter Szurley noted that the website looks out of date and that some of the links do not function properly. Jean said that he would follow up.
 - 10. **Publications and Programs**. No report provided.
- 11. **Foreign Centralized Filing**. First, Arnie Rosenberg inquired whether the article should come from the Committee or from him personally. Many members noted that Arnie contributed the most to the article and therefore he should be the author with the Committee being acknowledged for its contributions. Second, Arnie wondered whether the analysis should be by collateral type or generally of the local jurisdiction's lien system. Many members thought that the analysis should be general in nature in light of the language in Article 9. Arnie will be discussing this issue with Steve Weise. Third, Arnie noted that he will be incorporating George Haley's proposed introduction into the article.

12. **Liaison Reports**. None provided.

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The meeting was adjourned at approximately 11:10 a.m.

Attendance at May 9, 2006 Meeting:

R. Paul Barkes	Absent
Arnold Steven Rosenberg	Present
James S. Cochran	Present
Barry A. Dubin	Present
Wansun Song	Present
Harry C. Sigman	Present
Robert B. Anderson	Absent
Edward P. Christian	Absent
Kevin C. Cops	Present
Jennifer Dinkelman	Absent
Francis X. Ferrer	Absent
Demetra Georgelos	Absent
Barry A. Graynor	Present
James A. Hayes, Jr.	Present
Elliott Hinds	Absent
Stacy Hopkins	Absent
David Isenberg	Absent
Doug Krause	Present
Hugh Lawrence	Present
Jean LeBlanc	Present
John C. Oehmke	Present
Kathleen D. Rothman	Present
Brenda H. Ruttenberg	Present
Konrad F. Schreier III	Absent
Margreta M. Sundelin	Present
Audrey L. Sung	Absent
Demetria Vong-Spillan	Present
Troy Zander	Present